



NEW WORK SE

Investor Presentation

Hamburg, May 2024

Agenda

01 Strategy

02 Reorganization

03 Financials

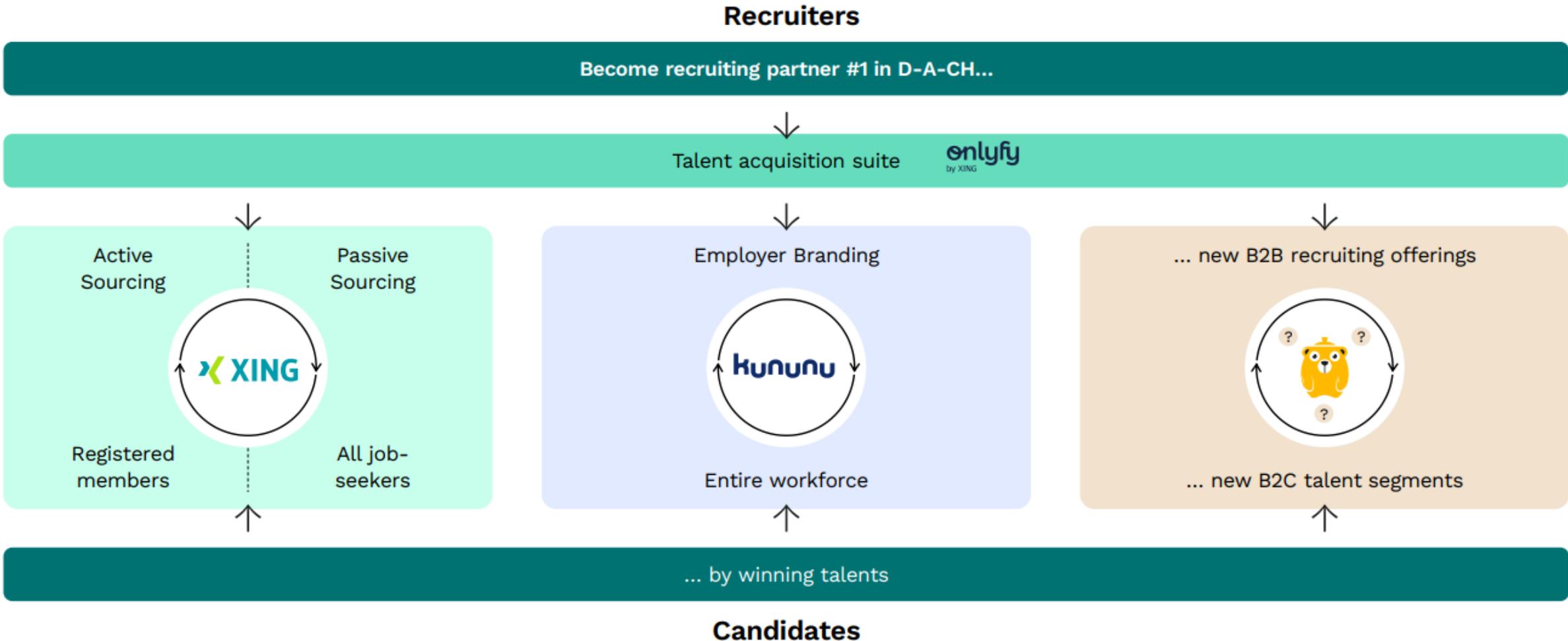


01

Strategy

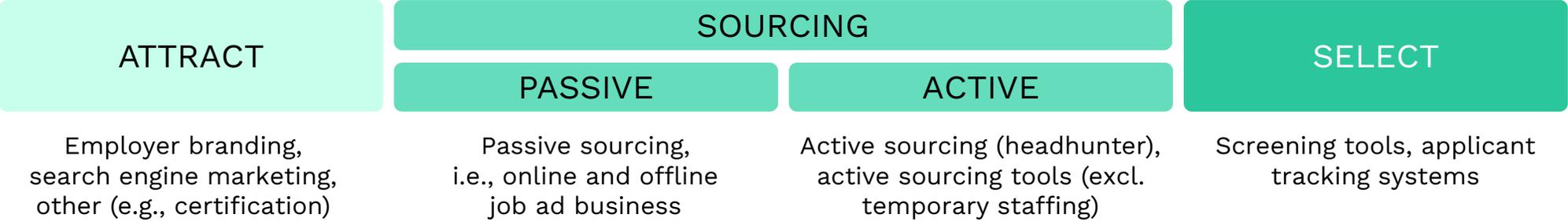


Recap | New Work SE strategic winning aspiration: become recruiting partner #1 in D-A-CH by winning talents

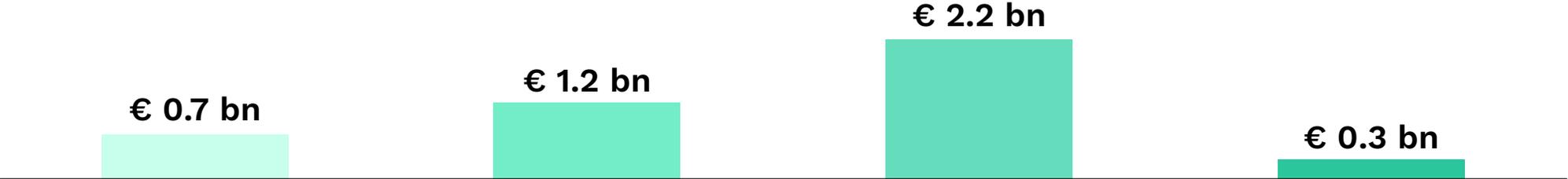


Recap | New Work SE addressable market: with >5bn€ in est. size, the recruiting market in D-A-CH is huge

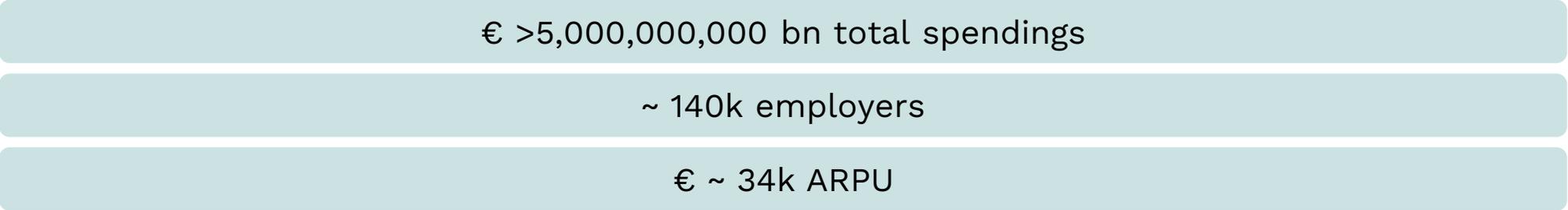
Segments
across recruiting
value chain



Total spend
(DE)*



TAM (DE)*

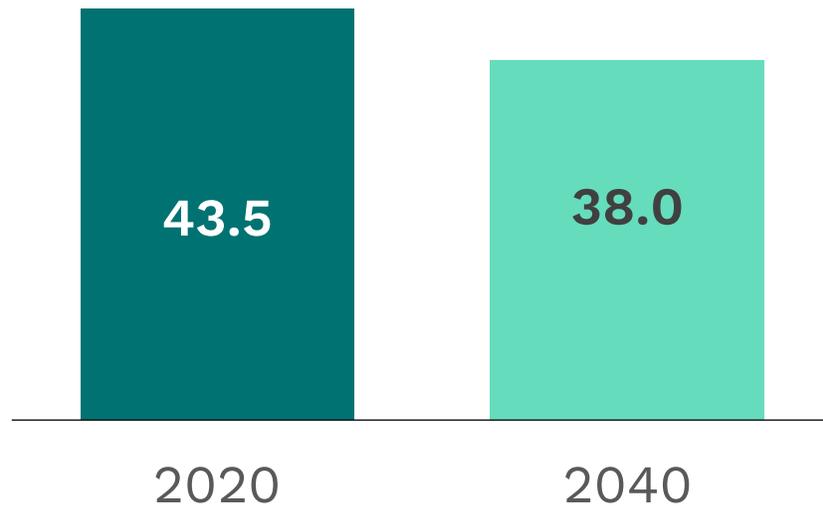


*Figures relate to DE 2021, only – AT/ CH each provide +10% to +15% potential; arrows indicate expected future growth trend;
SOURCE: Market model (German Federal Statistical Office, German Federal Labor Agency, Institute of Economics, other studies & reports)



Recap | Strong structural market tailwind: recruiting demand is driven by a stable and growing talent shortage

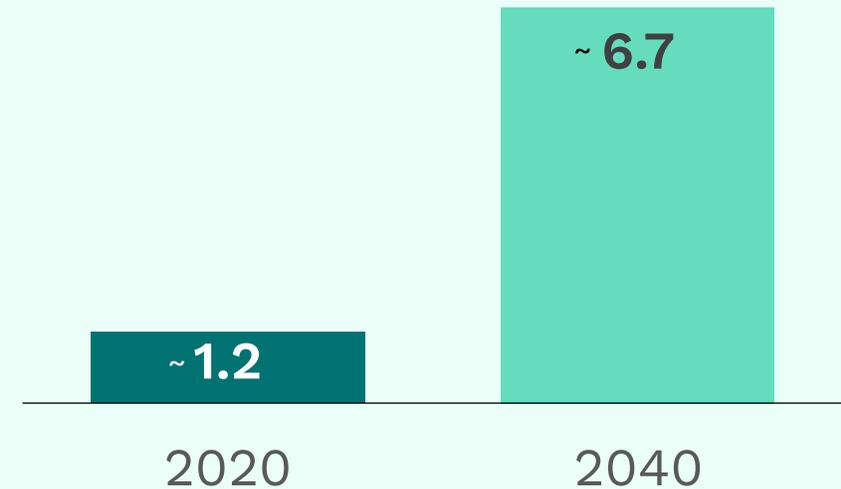
Shrinking Workforce in Germany (in m)¹



Source 1: IW "Mögliche Entwicklungen des Fachkräftemangels bis zum Jahr 2040", 04/21



Structural Talent Shortage unfilled vacancies in Germany (in m)²

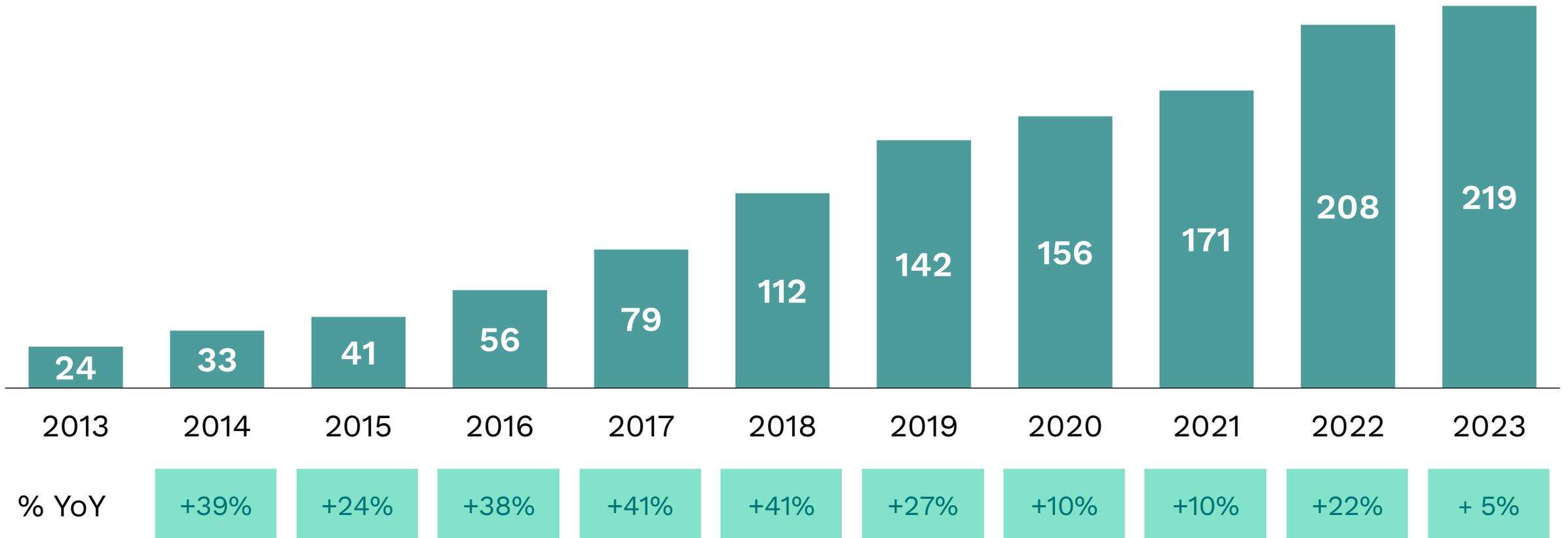


Source 2: IAB Q4 2020 & New Work SE estimation based on IW study

Recap | Our strategy follows historic success: B2B HR solutions revenues as primary growth driver on group-level

Strong Growth in HR Solutions Revenues

(in € Mio.)



Segment revenues prior to 2018 might deviate with historically reported figures on back of changes in IFRS or restructurings



Already today, we have a strong right to play – and we're extending our competitive position with focused strategic measures

Focus segments

Brands & competitive strength in 2023

Strategic measures for 2024



SOURCE 1: Representative poll among >600 HR professionals, DE
SOURCE 2: SimilarWeb (March 24, DE)



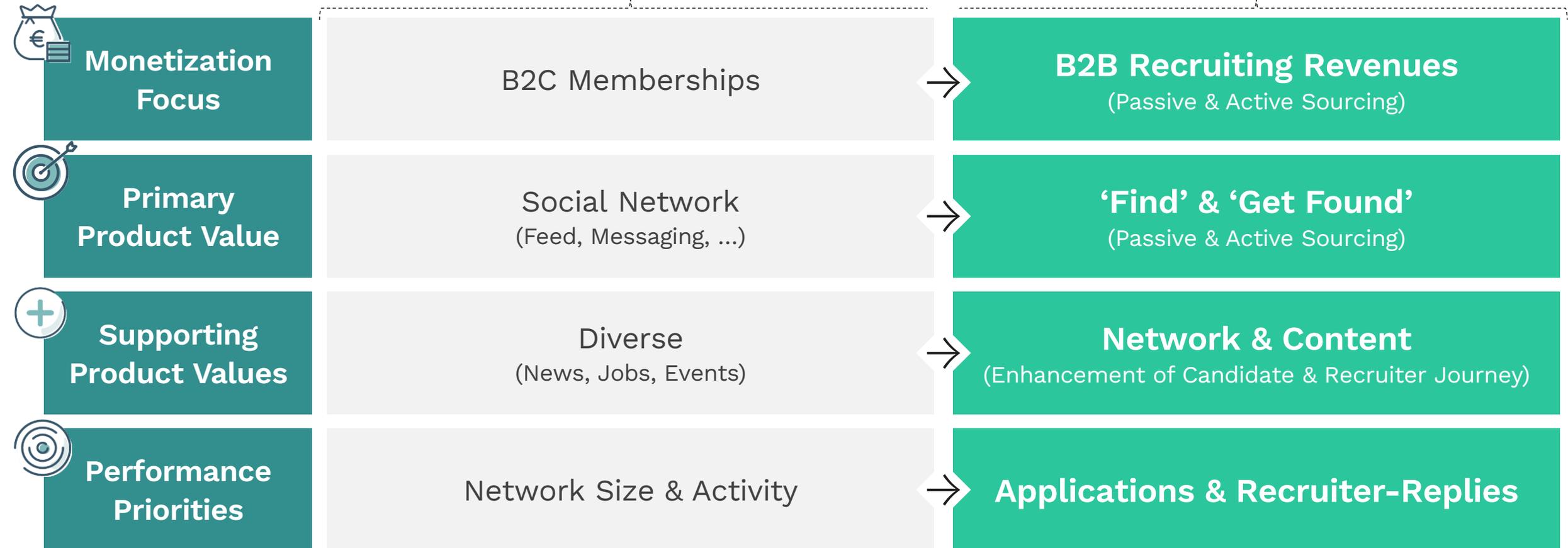
A XING | We are repositioning XING, building on our historic strength, towards a jobs network to drive NWSE strategy execution

From 'Professional Social Network' to 'Jobs Network'

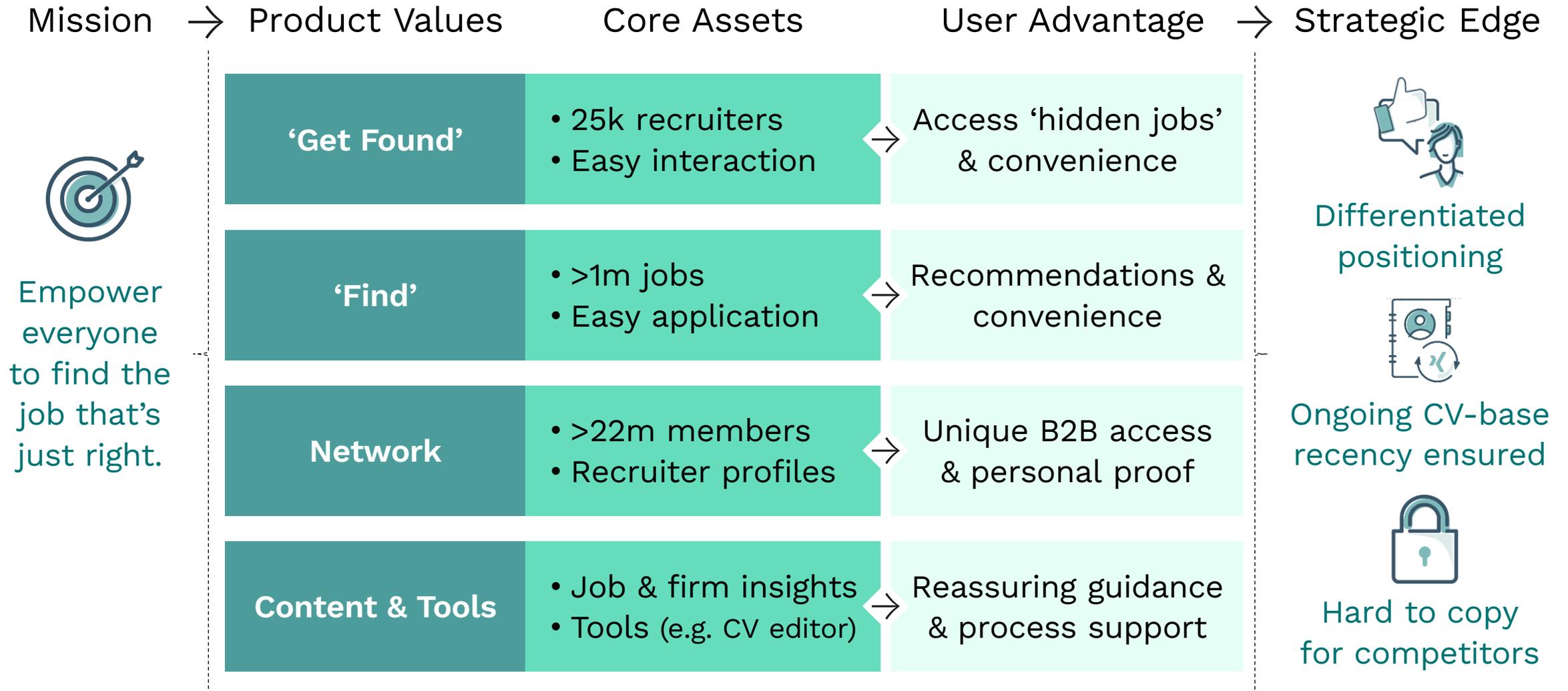
network as main purpose



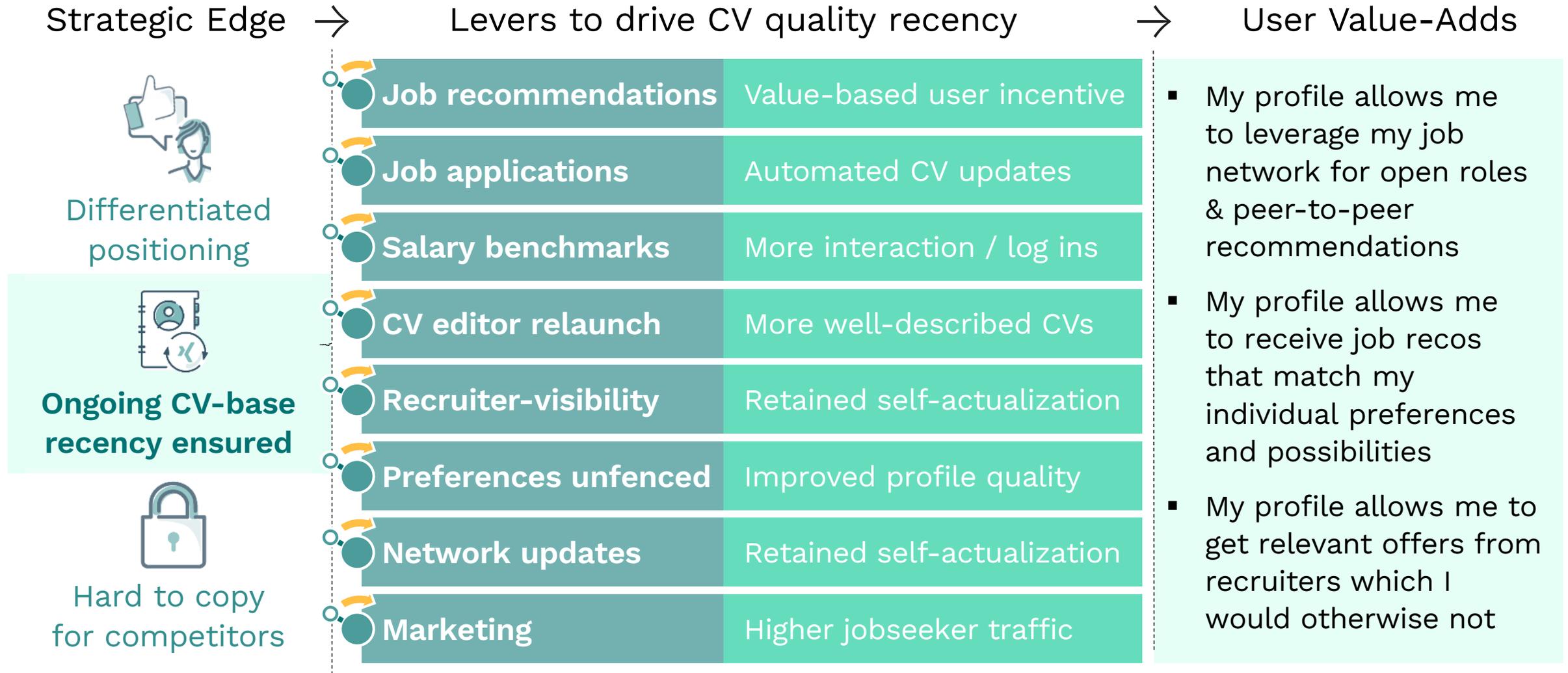
network as empowering factor



A XING | New XING 'jobs network' will provide a better job seeker experience, empowering everyone to choose the job that's just right



A XING | How XING's repositioned jobs-network ensures to drive number, quality, and recency of profiles to drive B2B monetization



XING | Jobs-Network KPIs continue to develop nicely



Traffic

+86%

'jobs' visits

Q1 24 vs. Q1 23



'Find'

+74%

applications on
top paid postings

Q1 24 vs. Q1 23



'Get Found'

+48%

candidate reply rate
to recruiters

Q1 24 vs. Q1 24



XING's repositioning towards 'jobs network' is fully on track!



kununu | kununu with a great start into 2024 – taking over #1 position in salary data in Germany



>7x

in average monthly **unique visitors** of kununu vs. second biggest competitor¹

¹SOURCE: SimilarWeb (March 2024, DE)



+28%

growth in **workplace insights**



New #1 in Germany
in **salary datapoints**²

² vs. Gehalt.de (3.6m salaries)



02

Reorganization



Restructuring Update | Reorganization on track

Recap January 11, 2024

In 2024, we will double down on strategy execution by restructuring and transforming the organization while improving cost structure

Core Strategic Measures in 2024

NWSE Winning Aspiration



Full focus on proven core brands XING & kununu

transition from ‚B2C only‘ to fully-fledged marketplaces, including decisive marketing-investments to further strengthen positionings



Wind-down of other activities & investments

discontinuation of new investments into onlyfy brand development and Honeypot standalone brand



Reorganization of org structure from top to bottom

re-org and reduction of exec board & workforce by ~400 FTEs to eliminate redundancies and increase efficacy



Streamlining towards operational efficiency

improved strategic and operative steering & processes, new setup for product & tech, increased focus on eCommerce



Become
recruiting partner #1
by winning talents



- **New org-structure** built around **XING & kununu** in place since April
- Smooth overall process
- ~ **85%** of cost savings achieved
- One-time expenses of **€ 24.2m**
- Full year savings effect in 2025

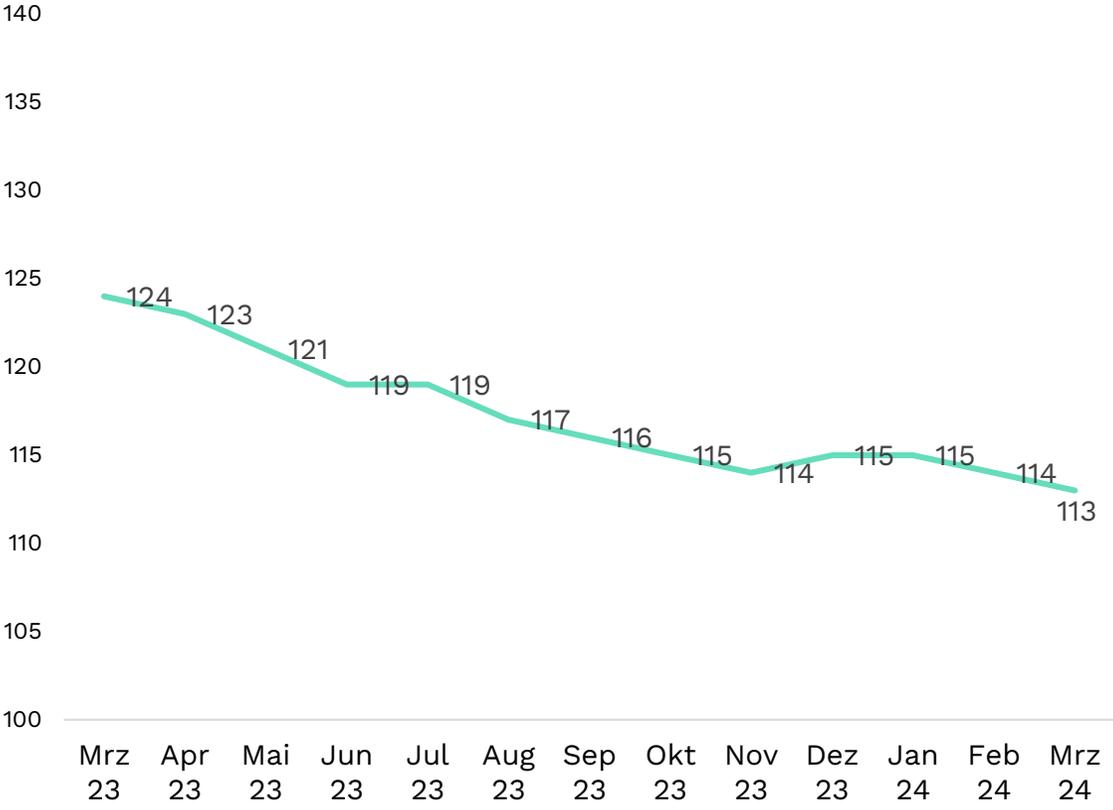
03

Financials



Employment market indicators as key drivers for demand in recruiting solutions continue to be muted even vs. weak 2023

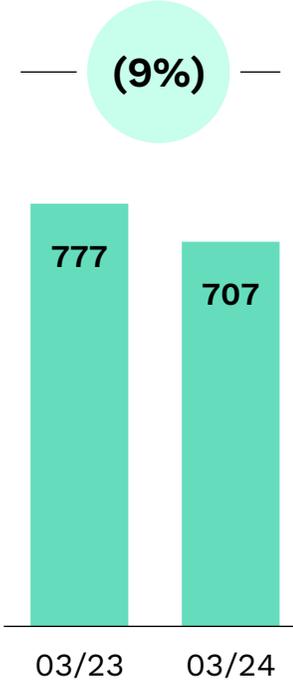
Development of labour demand
(BA-X index)¹



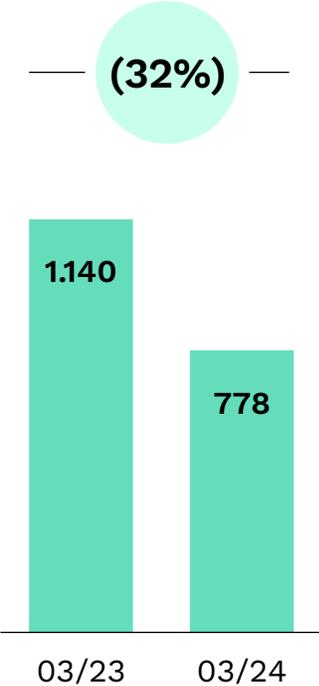
SOURCE 1: Federal employment agency

Development job vacancies and job ads²

Unfilled positions
yoy (DE)



Paid online job
postings yoy (DE)



SOURCES 2: Federal employment agency & anzeigendaten.de



Guidance 2024 | Pro-forma EBITDA of € 55-65m driven by revenues, accelerated investments & cost savings from restructuring

Core P&L drivers in 2024

Guidance 2024



Revenues declining

macro situation & ongoing transformation from B2C to B2B monetization



Accelerated investments

doubling down on strategy execution in light of strong 2023 achievements



Reorganization

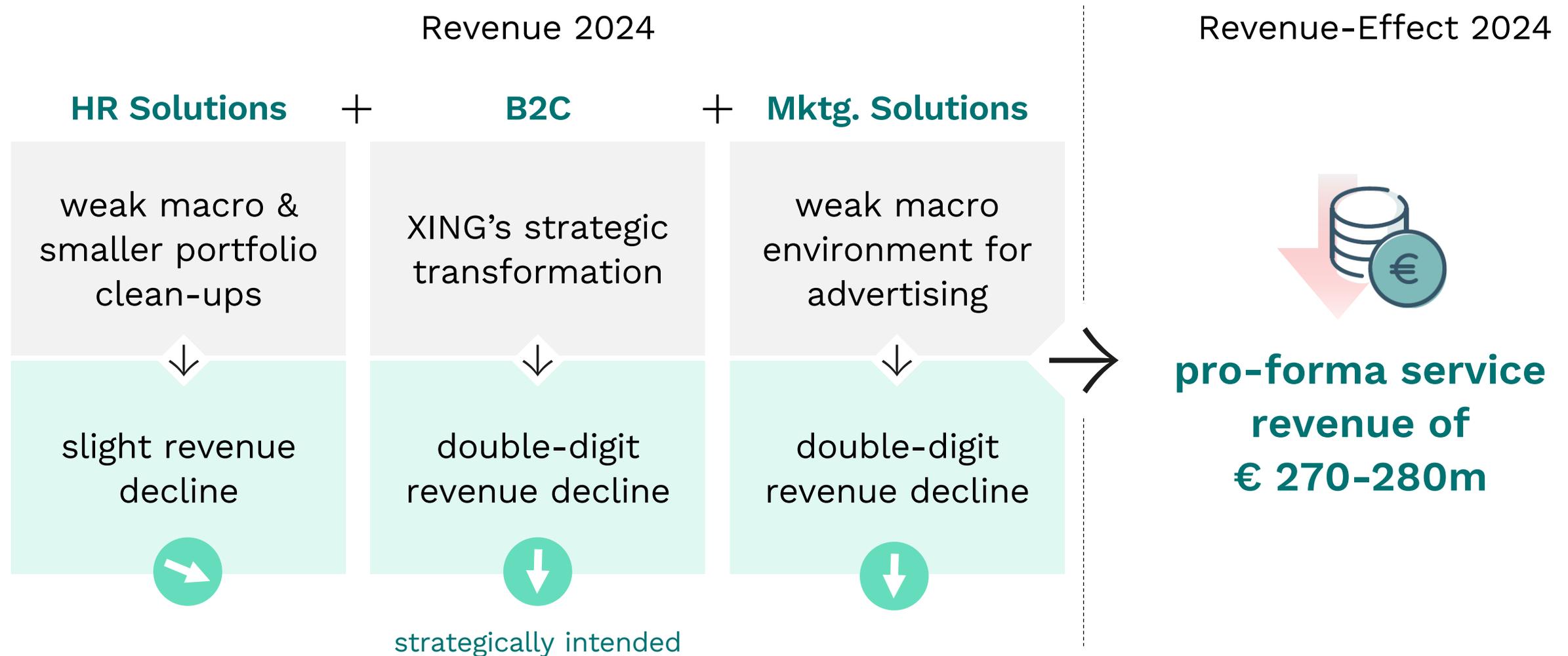
organizational transformation from top to bottom to improve strategic efficacy & cost base



**pro-forma
EBITDA guidance
of € 55-65m**

aiming to return to margins of >30% & topline growth by doubling down on strategy in 2026

Revenues 2024 impacted by macro, portfolio cleanups and ongoing transformation of monetization



Cost development (I): driven by accelerated investments in XING and kununu...

Doubling down on proven core brands' strategies

Cost-Effects 2024 ff.

XING

A
continuing XING's
successful repositioning
towards 'jobs network'



increased marketing invest
to support brand awareness,
consideration & preference



kununu

B
further strengthening &
expanding kununu's leading
#1 market position



increased invest to further
grow 2nd most important
recruiting marketplace



**NWSE cost structure
will become more
marketing-oriented**



Cost development (II): ... improving cost structure by reorganization

Strategic Reorganization & Transformation

Financial Impact

Rationale & Objectives



double down on strategy execution towards reaching winning aspiration while sustainably improving cost structure

Measures

- Full focus on core brands
- Wind-down other invests
- Streamlining operations
- Exhaustive re-org (~400 FTE)



Restructuring costs in 2024



Partial personnel savings in 2024



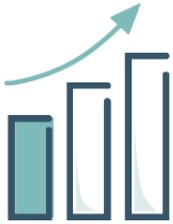
Full personnel savings in 2025ff.

Personnel cost quota to decline



We aim to continue paying out dividends, but need to reduce them to a minimum level during transition due to local GAAP bottleneck

History of strong dividend distribution



- **NWSE policy of continuous and sustainable dividend payment**

- Since 2011 ~ € 250m in dividends paid or >40€ per share
- No decrease in regular dividend until today

Dividend-bottleneck by local GAAP



- **Restructuring costs reduce local GAAP earnings (HGB) during strategic transition**

- Local GAAP retained earnings determine dividend capacity – not IFRS retained earnings
- Local GAAP retained earnings structurally lower than IFRS

Implications on dividends during strategic transition



We aim to continue dividend payouts during transition at minimum level of €1 per share



04

Results FY 2023



FY 2023:

Updated revenue and Pro-forma EBITDA targets achieved

306m Pro-forma
service revenues

219m Pro-forma service
revenues in HR Solutions
& Talent Access segment

97m Pro-forma
EBITDA

14.3k B2B HR Solutions
customers

32% Pro-forma
EBITDA margin

+2.3m Workplace Insights
@kununu

39m Pro-forma
net income

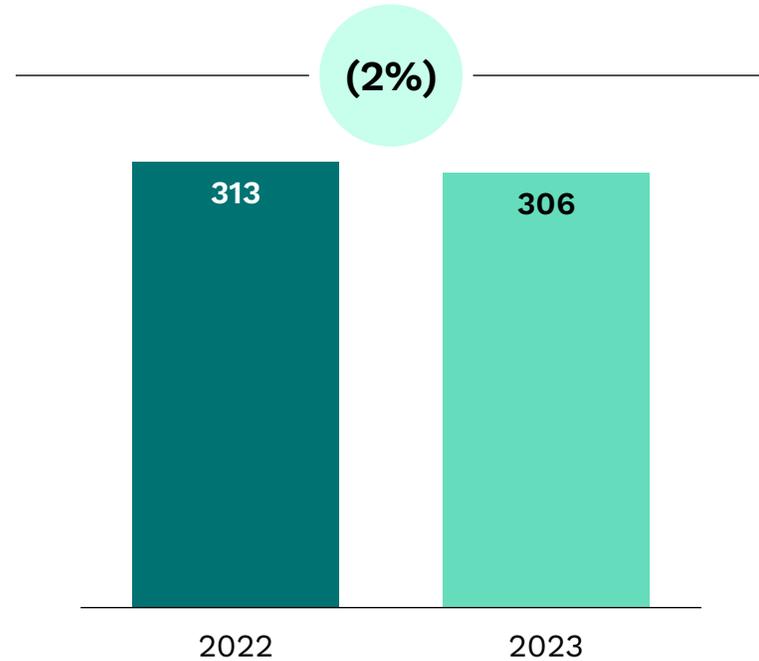
+0.6m New XING profile / CV
registrations



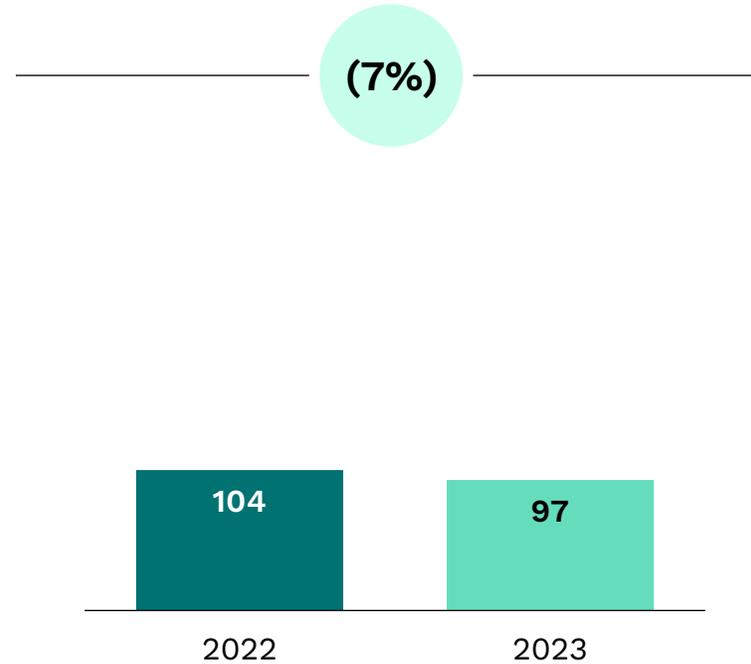
2023:

Financial KPIs flat or down YOY on back of weak macro

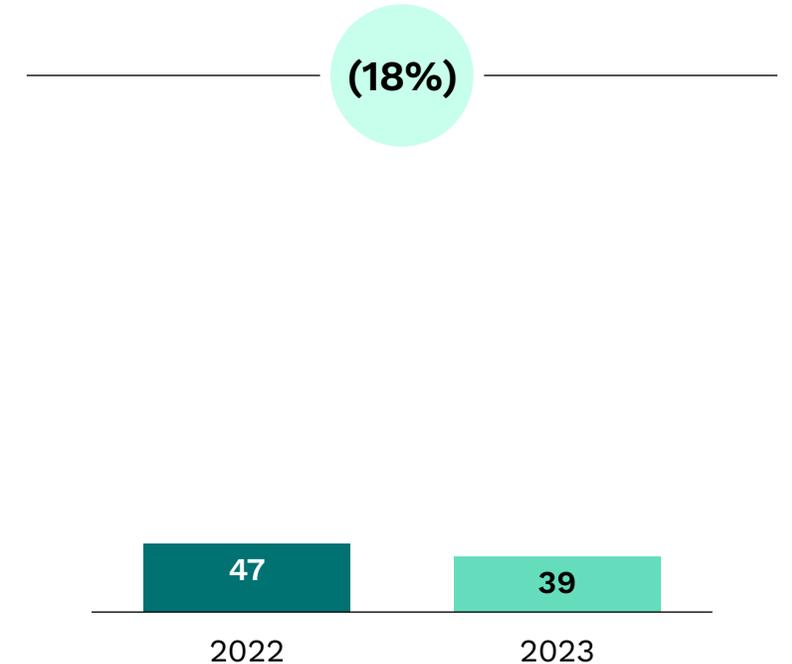
Pro-forma service revenues
in €m



Pro-forma EBITDA
in €m

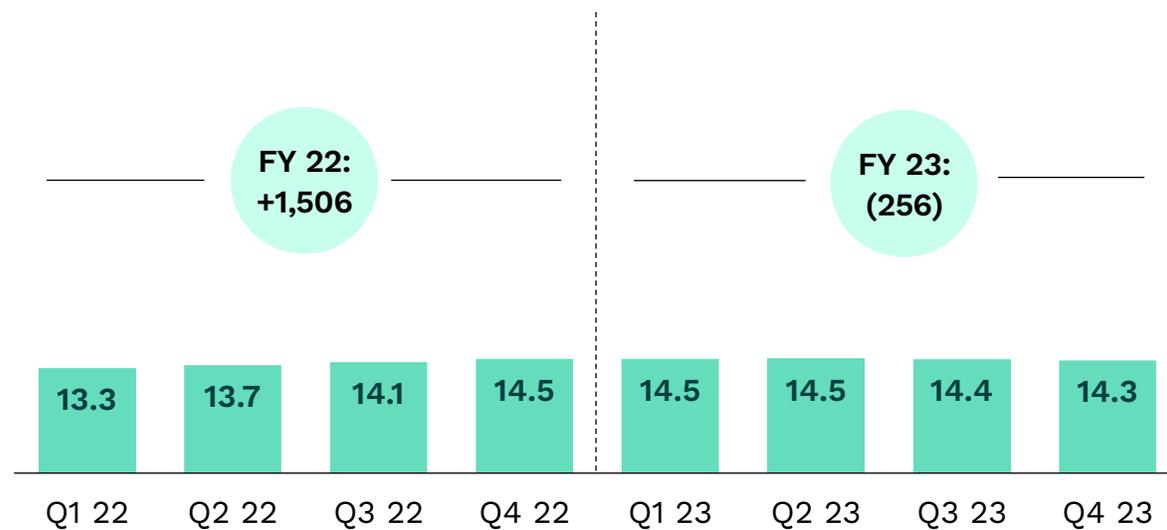


Pro-forma net income
in €m

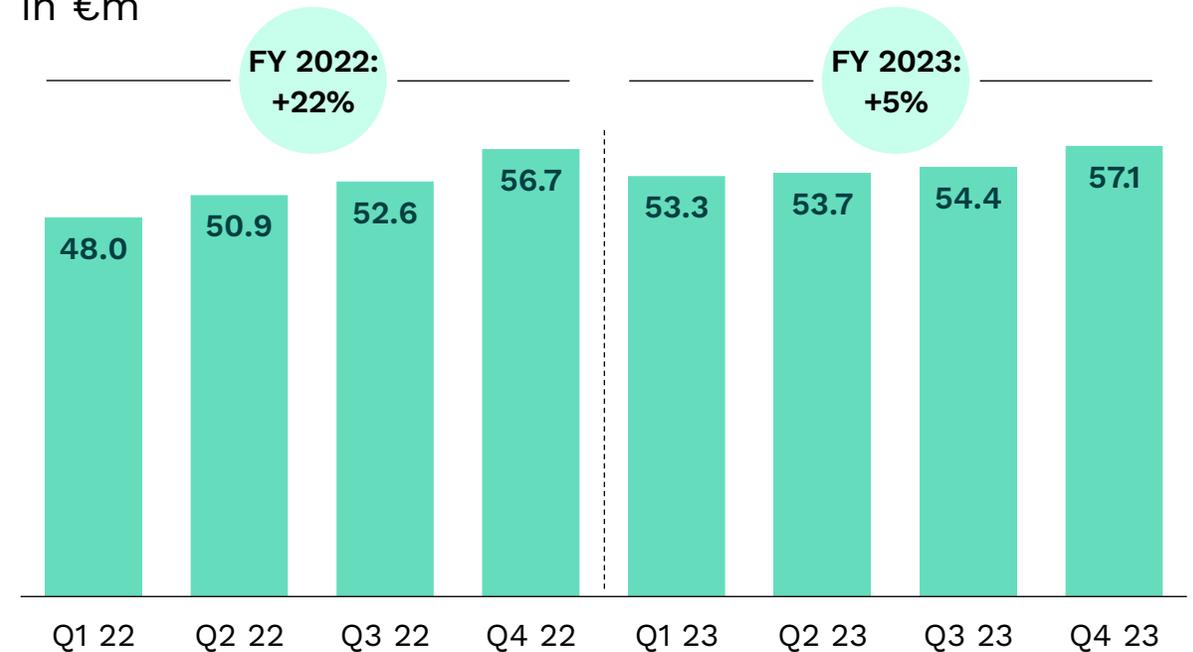


HR solutions & talent access subscription customer base slightly down on back of negative employment market

HR B2B subscription customers



(Pro-forma) segment revenues in €m



HR Solutions contributes
72% of NW SE group sales

Employer branding based on **kununu** growing **double-digit**
and accounts for more than **1/3** of segment revenues with
over proportional segment EBITDA contribution

Passive Sourcing:
Job ads **down** given weak macro

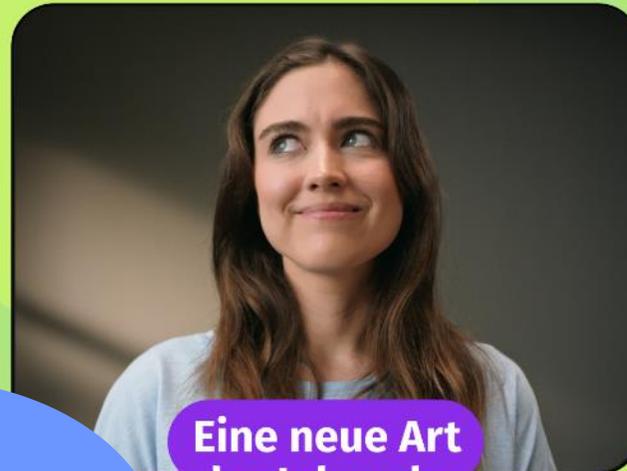
XING | branding campaign driving perception shift from social network to jobs-network

XING branding campaign



Eine neue Art
der Jobsuche

XING
Das Jobs-Netzwerk



Eine neue Art
der Jobsuche

XING
Das Jobs-Netzwerk

> 300
million
impressions
(January 24)

Baller League Sponsoring

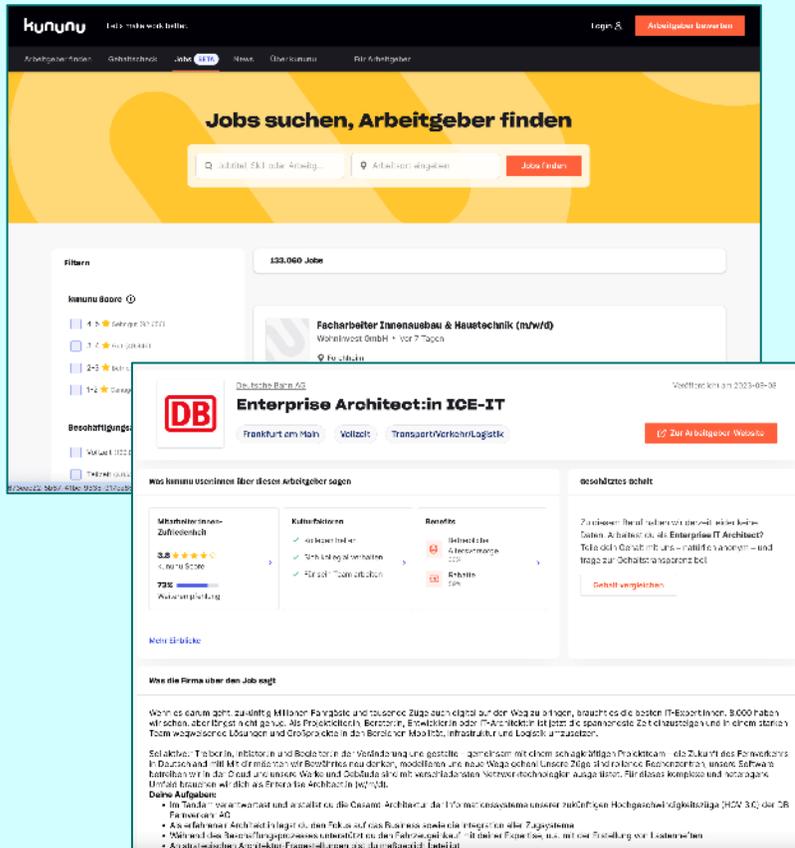


<https://ballerleague.xing.com/>

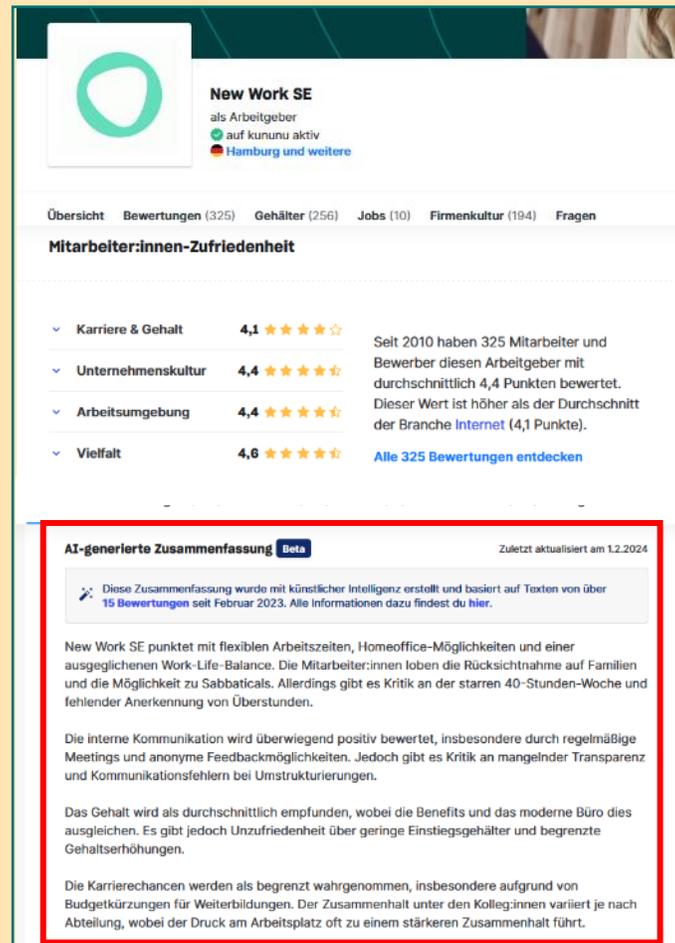


kununu | Focused investments in new HR products and improved user experience through leveraging AI for kununu consumers

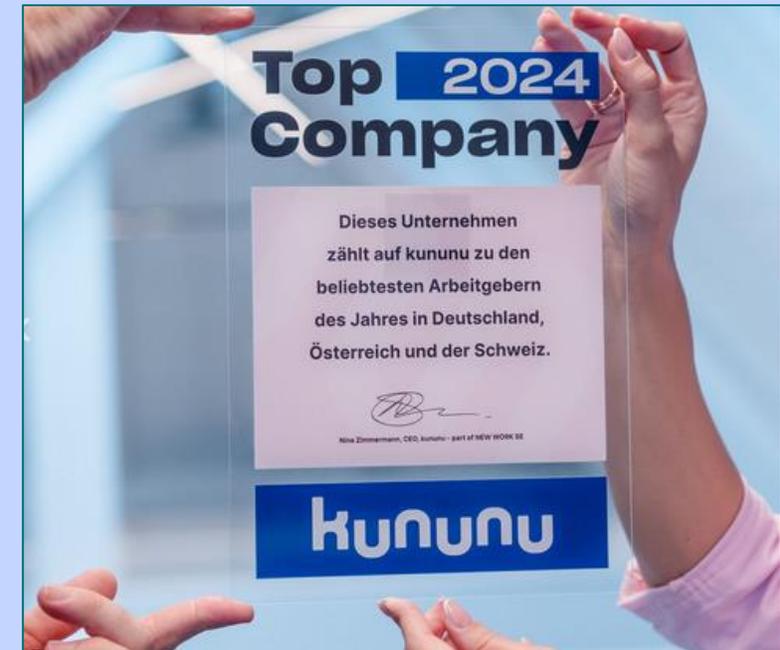
Job ads @kununu



AI Summarizer @kununu



Top company seal @kununu



Agenda

- Revenues of € 305.6m
- We keep growing our talent access through XING and kununu
- Pro-forma EBITDA at € 97.1m
- Regular dividend recommendation of 1€ per share as announced on Jan 11



2023 P&L: € 305.6M revenues and € 92.9M EBITDA

	2023		2022		2023 vs. 2022	
	Abs.		Abs.		Rel.	Abs.
Service revenues	305.6		313.4		(2%)	(7.8)
Other operating income	4.1		3.0		+36%	1.1
Capitalized own work	24.1		20.7		+16%	3.3
Costs before capitalization	(240.8)	(236.7)	(233.0)		(3%)	(7.9)
EBITDA	92.9	97.1	104.1		(11%)	(11.2)
Margin	30%	32%	33%		(3%pts)	(3%pts)
D&A	(44.1)		(37.9)		(16%)	(6.1)
Financial result	2.2	0.9	(2.8)	(1.1)	179%	5.0
Taxes	(14.2)	(15.1)	(17.3)	(17.9)	18%	3.1
Net income	36.9	38.8	46.1	47.3	(20%)	(9.2)
EPS	6.56	6.90	8.20	8.41	(20%)	(1.64)

■ Pro-forma

Rounding differences possible



Segment EBITDA:

HR Solutions & Talent Access down given deliberate investments

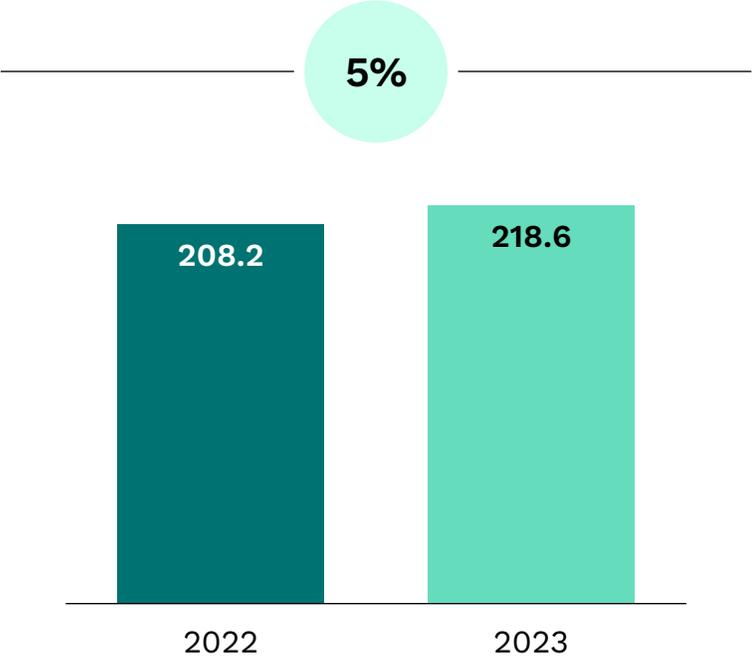
	Segment EBITDA 2023	2023 Margin	Segment 2022	2022 Margin
HR Solutions & Talent Access	57.6	26%	62.9	30%
B2C	39.3	54%	50.0	56%
B2B Marketing Solutions	1.9	14%	3.1	19%
Tech, Central Services & Other	(6.0)		(11.8)	
Total EBITDA	92.9	30%	104.1	33%

Rounding differences possible

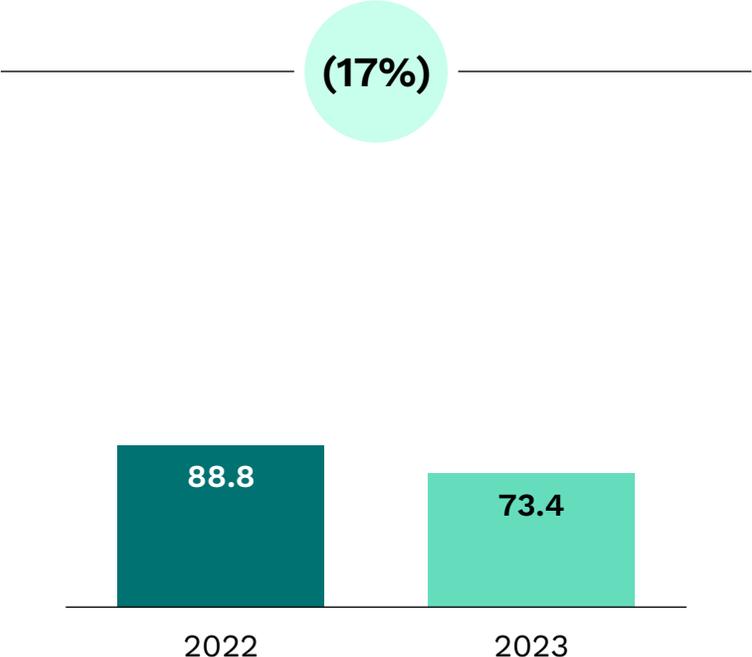


2023 service revenues: HR Solutions growing despite bad macro situation; B2C down given focus on Talent Access and B2B monetization

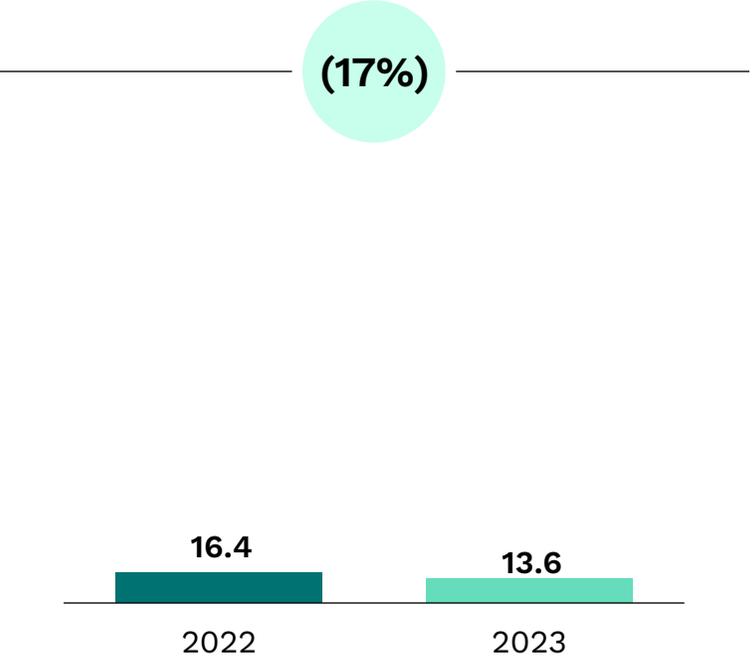
HR Solutions & Talent Access



B2C



B2B Marketing Solutions



Rounding differences possible



2023: Free cash flow (before dividends) of € 36.0m

	2023	2022	2023 vs. 2022	2023 vs. 2022
	Abs.	Abs.	Rel.	Abs.
EBITDA from continued operations	92.9	104.1	(11%)	(11.1)
Interest / tax / other	(24.7)	(19.6)	(26%)	(5.1)
Change in net working capital	(6.5)	(4.0)	(61%)	(2.5)
▲ Discontinued operations	(0.1)	(1.4)	107%	1.5
Operating cash flow excl. organizer cash	61.9	79.2	(22%)	(17.3)
Investment – operating	(28.7)	(28.4)	(1%)	(0.3)
Investment – financial assets	12.2	(0.4)		12.5
Lease liabilities, FX rate diff. & rest	(9.3)	(5.7)	(63%)	(3.6)
▲ Discontinued operations	(0.1)	(0.6)	(87%)	0.6
Cash flow before dividends	36.0	44.1	(18%)	(8.0)
Regular dividend	(17.8)	(15.7)	(13%)	(2.0)
Special dividend	(20.0)	(20.0)	0%	0.0
Cash flow	(1.7)	8.3		(10.1)

Rounding differences possible



Results Q1 2024



Q1 2024: Soft start into 2024 as expected given weak employment market and increased investments into XING and kununu

68m

Pro-forma
service revenues

50m

Pro-forma service
revenues in HR Solutions
& Talent Access segment

9m

Pro-forma
EBITDA

14.3k

B2B HR Subscription
Solutions customers

13%

Pro-forma
EBITDA margin

+2.4m

Workplace Insights
@kununu

1m

Pro-forma
Net Income

+0.6m

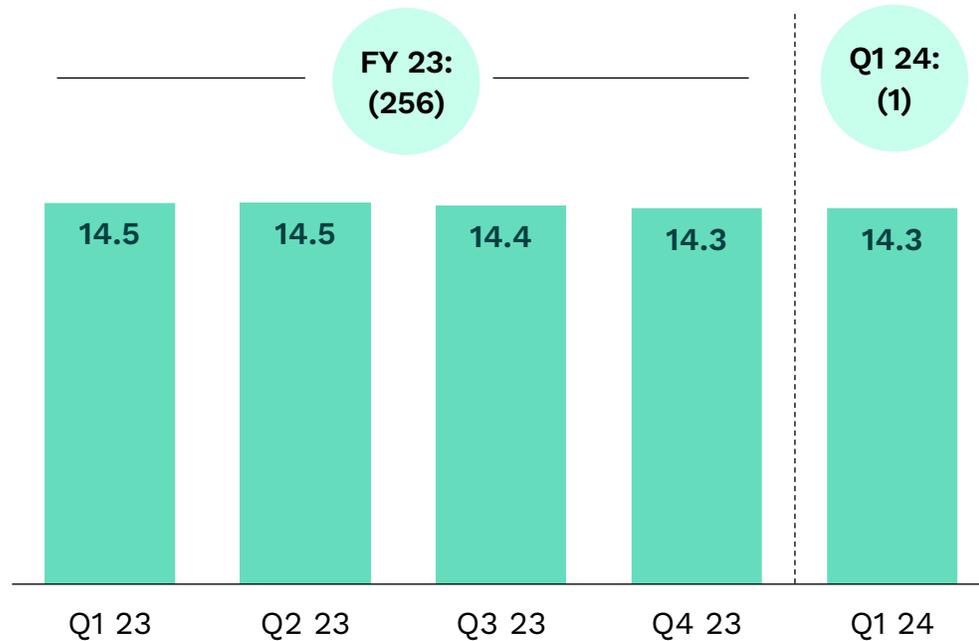
New XING profile / CV
registrations



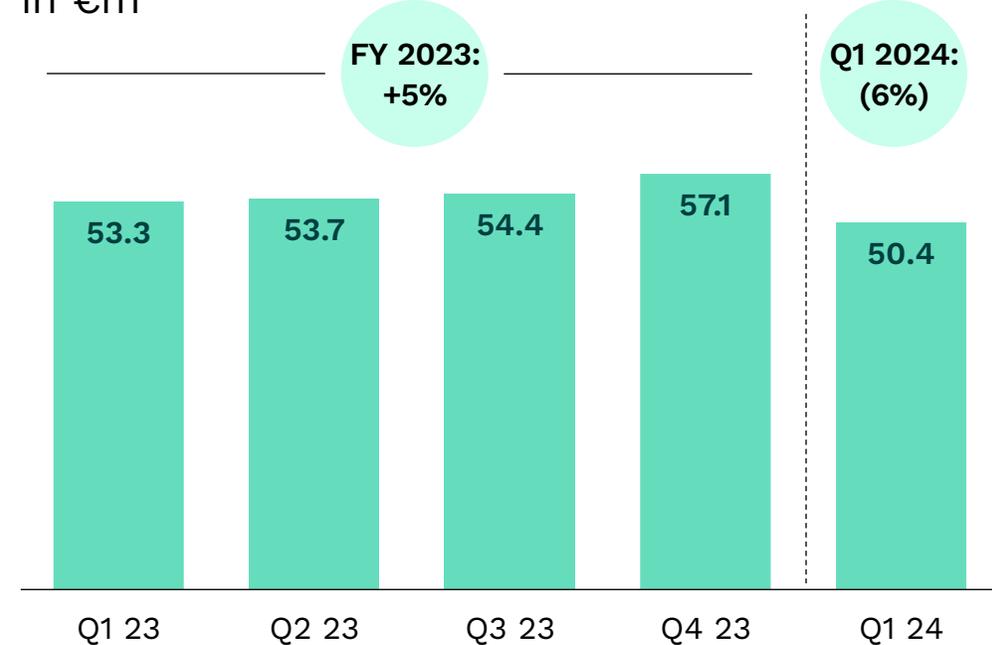
HR solutions subscription customer base stable in Q1 24

Employer branding with double-digit growth

HR B2B subscription customers



(Pro-forma) segment revenues in €m



Job-ads can be **AI-optimized** to improve readability and comprehensibility

Employer branding based on **kununu** growing **double-digit** and accounts for more than **1/3** of segment revenues with **over proportional** segment EBITDA contribution

Passive Sourcing: Job ads **down** given weak employment market



XING | Focused marketing and product investments to drive positioning as Jobs-Network (I)

Marketing invest supporting "Jobs" focus

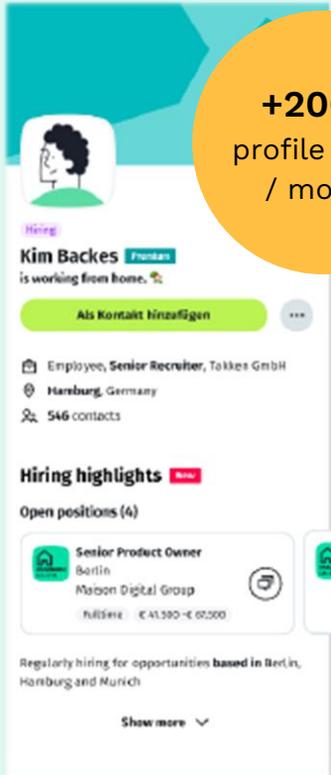
- Overall campaign reach above plan
- Successful brand campaign with KPIs above competition, basis for shift of external XING perception
- Effective first season of Baller League sponsoring



*vs. Indeed (Indeed statt Ausreden) 30%; StepStone (helping hand) 27%

XING | Focused marketing and product investments to drive positioning as Jobs-Network (II)

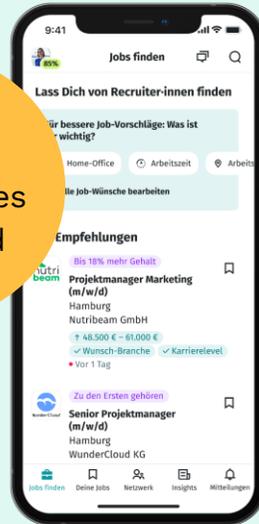
New recruiter profile



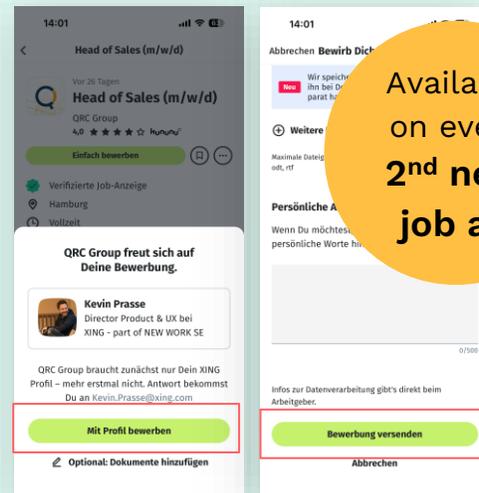
+200%
profile views
/ month

“Preferences”

>3 m
preferences
collected



“Instant apply”



Available
on every
**2nd new
job ad**

Product improvements supporting new “Jobs” focus

B2C value

- Improved jobseeker preferences
- Upgraded “instant apply” functionality
- Redesigned “search results”

B2B value

- New Recruiter profile
- “Preferences” integration into Talentmanager



kununu | Constant delivery of user and customer value with several marketing initiatives and product launches



Marketing initiatives & product improvements

- “Gender pay gap”- campaign + product features
- New brand campaign: *“first kununu, then apply”*
- Launch of “career path” indicator
- Relaunch of digital kununu widget



Q1 24: Revenues of € 68.2m; Pro-forma EBITDA of € 9.0m

	Q1 2024		Q1 2023		Q1 24 vs. Q1 23		Q4 2023		Q1 24 vs. Q4 23	
	Abs.		Abs.		Rel.		Abs.		Rel.	
Service revenues	68.2		75.9		(10%)		78.2		(13%)	
Other operating income	3.8		0.7		404%		1.2		209%	
Capitalized own work	5.1		7.5		(32%)		4.5		15%	
Costs before capitalization	(92.3)	(68.1)	(68.7)	(66.3)	(34%)		(56.3)	(55.8)	(64%)	
EBITDA	(15.2)	9.0	15.5	17.9	(198%)		27.6	28.1	(155%)	
Margin in %	(22)	13	20	24	(43%pts)		35	36	(58%pts)	
D&A	(8.6)	(5.8)	(7.2)		(19%)		(19.6)		56%	
Financial result	0.5	0.2	0.4	0.0	33%		0.9	0.5	(42%)	
Taxes	6.3	(2.3)	(1.6)	(2.3)	485%		(2.6)	(2.7)	345%	
Net income	(16.9)	1.1	7.0	8.4	(340%)		6.3	6.4	(367%)	
EPS	(3.01)	0.20	1.25	1.50	(340%)		1.12	1.14	(367%)	

■ Pro-forma

Rounding differences possible



Q1 24: Segment EBITDA

	Segment EBITDA Q1 24		Margin	Segment EBITDA Q1 23		Margin	Delta Comment for pro-forma EBITDA
HR Solutions & Talent Access	(12.6)	(0.3)	Neg.	7.7	9.0	17%	Increased investments vs. Q1 23 - Marketing campaign - kununu
B2C	4.4	8.0	50%	10.3	11.1	57%	Expected decline given focus on B2B monetization and talent access
B2B Marketing Solutions	(1.5)	(0.3)	Neg.	(0.1)	0.1	3%	Slowdown on back of general ad-market weakness and fewer ad impressions
Central & Other	(5.5)	1.7	44%	(2.4)	(2.3)	Neg.	
Total EBITDA	(15.2)	9.0	13%	15.5	17.9	24%	

■ Pro-forma

Rounding differences possible

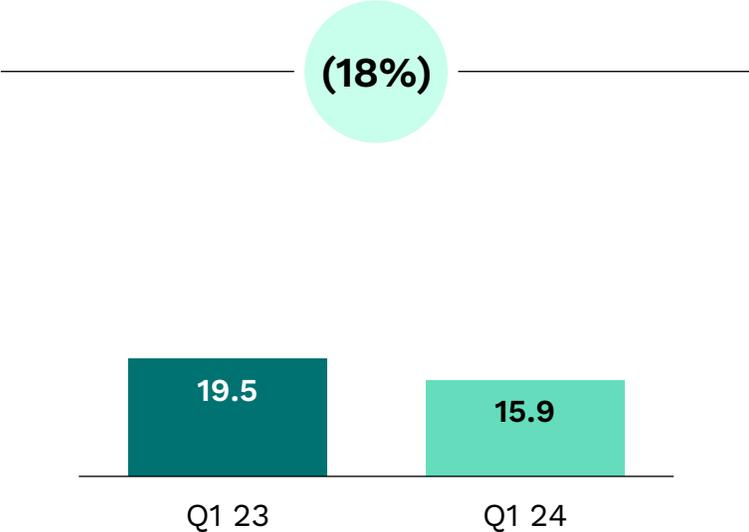


Q1 24 service revenues: Employment market weakness weighs on HR solutions & XING repositioning affecting B2C monetization

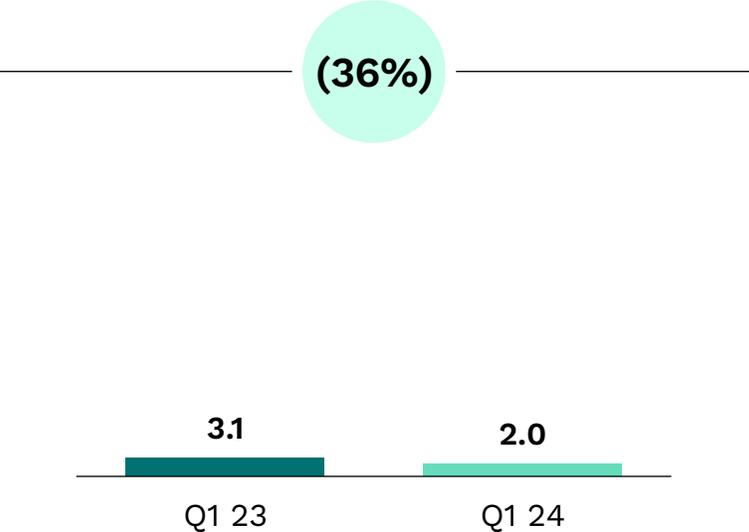
HR Solutions & Talent Access



B2C



B2B Marketing Solutions



Rounding differences possible

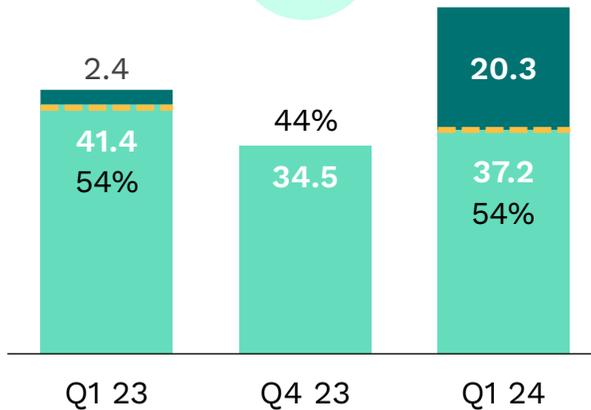


Q1 24: Cost development: pro-forma costs already down on back of tight cost measures in 2023



Personnel
in € m and in % of service revenues (pro-forma)

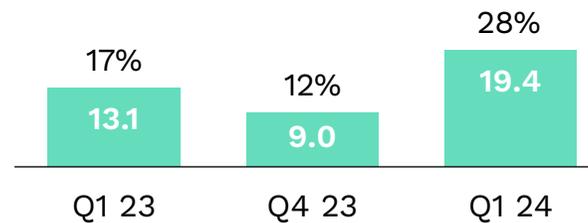
(9%)



- Q1 24 impacted by €20m restructuring
- FTE down by 171 to 1,460 end of March 24

Marketing
in € m and in % of service revenues

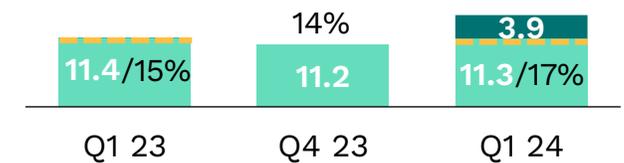
48%



- TV brand campaign in Q1
- Online display & social media
- kununu gender pay gap & salary data campaigns

Other expenses
in € m and in % of service revenues (pro-forma)

(48%)



- External services (i. e. freelancers)
- Server hosting
- Payment processing
- Travel & entertainment
- Other

Rounding differences possible



Q1 24: Operating cash flow of €7.5m

	Q1 2024	Q1 2023	Q1 24 vs. Q1 23	Q4 23	Q1 24 vs. Q4 23
	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	(15.2)	15.6	(30.8)	27.6	(42.8)
Interest / tax / other	(3.8)	(3.5)	(0.3)	(12.8)	9.0
Change in net working capital	26.4	21.8	4.6	(10.7)	37.1
Operating cash flow	7.5	33.9	(26.5)	4.2	3.3
Investment – operating	(5.2)	(9.1)	3.9	(5.3)	0.1
Investment – acquisitions & joint venture	0.0	0.0	0.0	0.0	0.0
Investment – financial assets	0.0	0.0	0.0	0.0	0.0
Interests paid, lease liabilities, FX rate diff. & rest	(2.8)	(2.5)	(0.3)	(2.4)	(0.5)
Cash flow excl. dividends	(0.6)	22.3	(22.9)	(3.5)	3.0
Regular dividend	0.0	0.0	0.0	0.0	0.0
Special dividend	0.0	0.0	0.0	0.0	0.0
Cash flow	(0.6)	22.3	(22.9)	(3.5)	3.0

Rounding differences possible



Guidance 2024 | Pro-forma EBITDA of € 55-65m

Recap from January 11, 2024:

Guidance 2024 | Pro-forma EBITDA of € 55-65m driven by revenues, accelerated investments & cost savings from restructuring

Core P&L drivers in 2024

-  **Revenues declining**
macro situation & ongoing transformation from B2C to B2B monetization
-  **Accelerated investments**
doubling down on strategy execution in light of strong 2023 achievements
-  **Reorganization**
organizational transformation from top to bottom to improve strategic efficacy & cost base

Guidance 2024

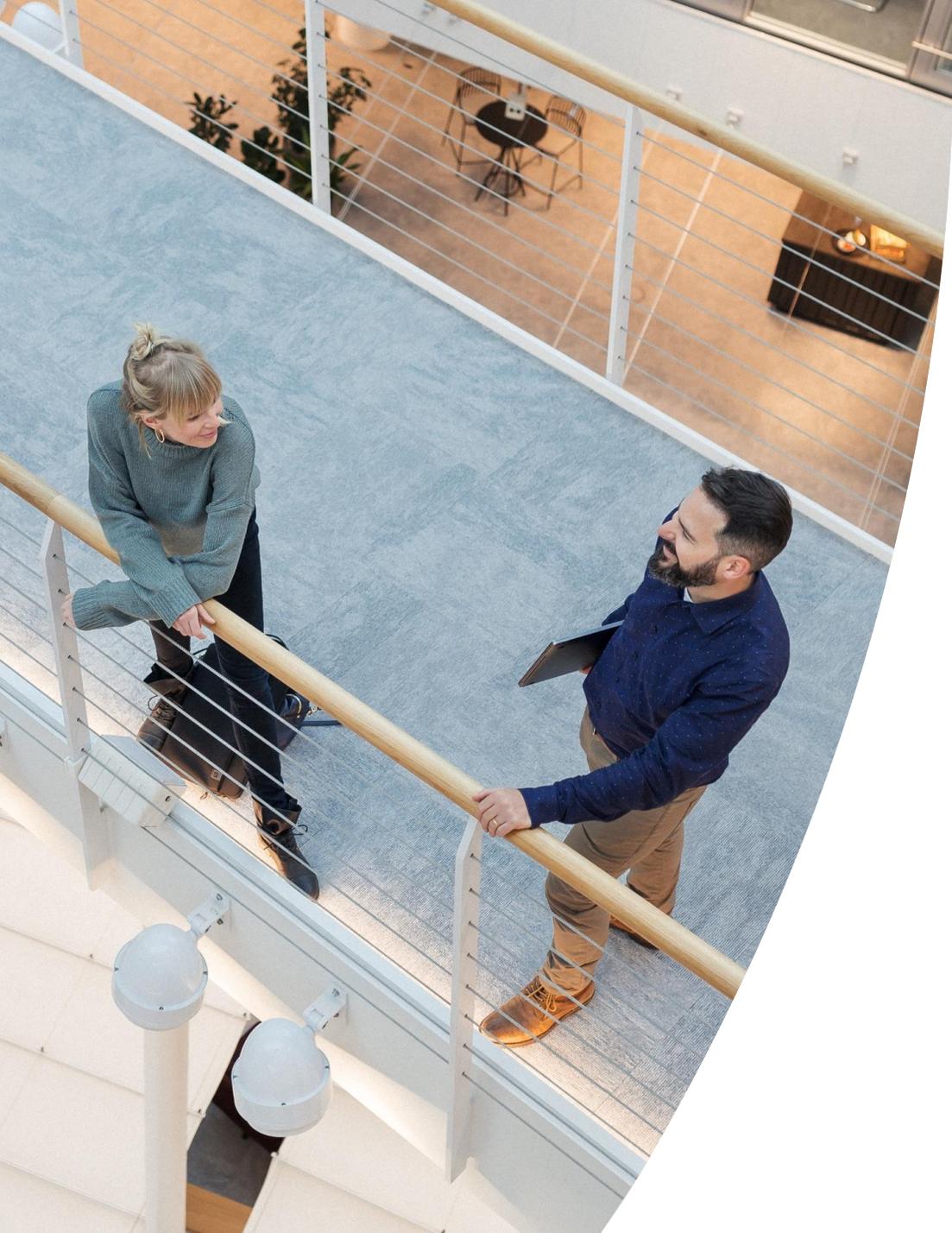
 **pro-forma EBITDA guidance of € 55-65m**

24 New Work SE FY 23 Preliminary Results



We confirm our pro-forma EBITDA guidance from January 2024

Thank you
for your attention.



06

ESG @ NEW WORK SE



ESG @ New WORK SE

Our strategic action areas and material topics

Employees

- Working conditions
- Occupational health and safety
- Human resources development
- Diversity and equal opportunities

4
QUALITY
EDUCATION


5
GENDER
EQUALITY


8
DECENT WORK AND
ECONOMIC GROWTH


Products and services

- Product development and promise
- Information security
- Personal rights and informational self-determination

4
QUALITY
EDUCATION


8
DECENT WORK AND
ECONOMIC GROWTH


9
INDUSTRY INNOVATION
AND INFRASTRUCTURE


Environment

- Energy and emissions
- Environmental impacts in the supply chain

13
CLIMATE
ACTION


Society

- Contribution to the community²

4
QUALITY
EDUCATION


10
REDUCED
INEQUALITIES


Foundation: Governance

The review of our materiality analysis revealed that respecting human rights and fighting corruption and bribery are not material topics for New Work SE under the CSR-RUG. That's why we are not reporting any plans pertaining to these issues under the German Commercial Code.

² Not identified as a material topic in the materiality analysis; due to its high strategic relevance for New Work SE, this topic's relevance was upgraded and the topic was included in the CSR roadmap.



ESG @ New WORK SE

Our goals for 2025 at a glance

Employees

Recommendation rate
≥ 80%
kununu overall score ≥ 4.0 on average for the year

Maintain the quality
of content in our offers supporting the physical and mental health of employees

Internal recommendation rate for our seminars and training courses
≥ 60%

Annual 180° feedback
to strengthen and enhance leadership skills

Equal opportunity & diversity
are very important to us as an employer. We aim to achieve an annual average kununu score of ≥ 4 by 2025.

Products and Services

≥ 50%
of the job ads on XING will be integrated into the kununu Culture Score.

kununu Workplace Insights ≥ 9.6 million
the 2021 number of 4.8 million is expected to more than double by 2025

Tested security
to protect our systems

Planning of at least **2 internal audits/year**
to be carried out from 2025
Contents: company technologies and practices that impact user data

Society

Develop a method to measure and strengthen our **personal and social added value**

Environment

Climate-neutral operation of **100%**
of all data centers and cloud services from 2025

Climate neutrality¹
Long-term: define net zero target

¹ Climate neutrality means that when carbon emissions cannot be avoided by a company these are offset by high-quality carbon reduction certificates (certified climate change mitigation projects).



Investor relations

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<https://www.new-work.se/en/investor-relations>

ESG topics

<https://www.new-work.se/en/Company-About-New-Work-SE/csr>